Investing in Canada Infrastructure Program: IBAs at a Glance

OVERVIEW

- The Government of Canada's *Investing in Canada* plan is providing more than $180 billion over 12 years. The priority is to promote infrastructure that will create good, well-paying jobs that can help the middle class grow and prosper. Key areas for investment include public transit, green and social infrastructure, transportation infrastructure that supports trade, and infrastructure in rural and northern communities.

- The $33-billion Investing in Canada Infrastructure Program (ICIP) is a key element of the plan. ICIP will be delivered through Integrated Bilateral Agreements (IBAs) with each province and territory. ICIP has been designed to help the provinces and territories invest in public transit infrastructure, social infrastructure, green infrastructure, and infrastructure which meets the unique needs of rural and northern communities.

- To date, ten of the thirteen jurisdictions have signed Integrated Bilateral Agreements with Canada. Negotiations with Newfoundland, Prince Edward Island, and Saskatchewan are on-going.

- Several jurisdictions with signed Integrated Bilateral Agreements have submitted projects to Infrastructure Canada (INFC) for funding approval. We expect that the other jurisdictions will start submitting projects in the next few months.

BACKGROUND

- The $33-billion Investing in Canada Infrastructure Program (ICIP) includes four funding streams:
  - $20.1 billion for public transit;
  - $9.2 billion for green infrastructure;
  - $1.3 billion for community, culture and recreation infrastructure; and
  - $2.4 billion for wide-ranging infrastructure needs in rural and northern communities.

- The green infrastructure stream includes three sub-streams:
  - Climate Change Mitigation;
  - Adaptation, Resilience and Disaster Mitigation; and
  - Environmental Quality.

- As well, the $400 million Arctic Energy Fund, will be delivered under the rural and northern communities infrastructure stream.

- Under the Integrated Bilateral Agreements, proposed projects must first be prioritized by a province or territory before they are submitted to Infrastructure Canada for funding consideration.

Disaster Mitigation and Adaptation Fund

OVERVIEW

- Communities now more than ever need to adapt to climate change impacts, extreme weather events and natural disasters.
- The $2-billion Disaster Mitigation and Adaptation Fund (DMAF) is designed to help communities adapt to a changing climate while mitigating the impacts of future disasters.
- DMAF will help strengthen the resiliency of Canadian communities through investments in large-scale infrastructure projects to help better withstand current and future risks such as floods, wildfires, and droughts and ensure continuity of service.
- We have worked closely with our provincial and territorial partners, as well as National Indigenous Organizations and other organizations such as the Federation of Canadian Municipalities to develop the DMAF and ensure it responds to their needs.
- We launched the program and expression of interest process on May 17. Expressions of interest are due on July 31, 2018. We look forward to working with applicants to inform them of the program.

BACKGROUND

- Communities in Canada are experiencing significant weather-related or natural disaster events which can result in risks to health and safety, interruptions in essential services, disruptions in economic activity, and high costs for recovery and replacement. Investing in smart, resilient infrastructure solutions is paramount.
- The DMAF is a national competitive, merit-based program which is open to municipal, provincial and territorial governments, to Indigenous communities, and to public and private sector organizations.
- The DMAF is a national funding envelope with no provincial or territorial allocations. Eligible projects will primarily be identified through a competitive, application-based selection process. Projects will be assessed and selected based on merit.
- Examples of potential projects under DMAF include:
  - Seismic upgrades to bridges or buildings that are intended for public use and benefit.
  - Upgrade to dikes and/or dams in response to flooding.
  - Upgrades to vulnerable infrastructure in response to coastal erosion.
- [redacted]

Canada Infrastructure Bank

OVERVIEW

- There has been significant progress over the past few months. The Bank is now operational with the appropriate authorities and has opened its office in Toronto.
- The Board of Directors were announced in November. They recently announced the Chief Financial Officer and they continue to build up their capacity. The new CEO of the Bank, Pierre Lavallée, was announced in late May.
- The Bank is open to proposals and engaging with stakeholders on potential investments that will harness the capacity of the private sector to make efficient use of financial resources while delivering the services Canadians need.

BACKGROUND

- The Government has established the new Canada Infrastructure Bank (CIB) as an arm's-length organization that will work with provincial, territorial, municipal, Indigenous, and private sector investment partners to build new infrastructure in communities across Canada.
- The Canada Infrastructure Bank was formally incorporated through the Royal Assent of its founding legislation on June 22, 2017.
- Janice Fukakusa was appointed as inaugural Chairperson of the CIB in July 2017, with the Board of Directors announced in November 2017.
- Pierre Lavallée was appointed President and Chief Executive Officer in 2018 and is responsible for strategic business leadership and overall performance of the organization. As the inaugural CEO, his role includes establishing strategy, policies and procedures; building a highly skilled and motivated team of professionals; and developing partnerships with investors and public-sector proponents to support innovative infrastructure transactions.
- There have been questions raised related to the cost of recruiting the directors and CEO for the CIB. The Government of Canada sought support from executive search firms through competitive procurement processes. The Government is committed to full transparency. All contracts over $10,000 are reported quarterly.

[redacted]

- Under the *Canada Infrastructure Bank Act*, the Minister of Finance is authorized to pay the CIB up to $35 billion. Estimated payments against such statutory appropriations are typically included in Supplementary Estimates C, and therefore, we expect the CIB's budgeted

$19.0 million to appear there. The CIB is not expected to raise its own funding and the cash will be raised by the Government of Canada through the normal debt management program and cash management. The CIB will thus have low operating costs without a large treasury management function.

- The CIB's Statement of Priorities and Accountabilities (SPA) letter was posted to the Infrastructure Canada and Canada Infrastructure Bank websites on April 13, 2018, which provides further guidance to the Board and Chair.

- The Government of Canada has established broad priorities and guidelines including three priority infrastructure areas: public transit, trade and transportation; and green infrastructure and has indicated that the CIB should be prepared to review projects such as the Réseau express métropolitain (REM) in Montreal.

Relationship to Government and Public Interest

- The Government is responsible for setting the overall policy direction and high-level investment priorities. Though arm's length, the CIB will be responsive and accountable to the government and Parliament. The CIB will submit an annual corporate plan for approval by the Governor in Council, which will be tabled in Parliament as well as an annual report in Parliament. The auditor general as well as a private auditor will also audit the CIB.

- The CIB and its Board of Directors will ultimately approve projects and investments. Prior to the CIB advancing a project for structuring, financing and investment, the CIB will include potential projects through the corporate plan process.

- The corporate plan is a key accountabilities instrument to ensure that its activities align with government priorities and are in the public interest, and that they fit within its financial and capital plans. The plan is also the mechanism by which the CIB obtains its authority to investment in potential projects.

- As set out in the legislation, the Bank's investments must be in projects that are in the "public interest". In practice, this means that the projects must be aligned with federal policy objectives, as well as those of the relevant jurisdiction.

[redacted]

- Projects must also be "bankable", meaning that they attract private sector capital, maximize the impact of federal investment, and appropriately transfer revenue risk to the private sector.

- The Government will provide the CIB with $35 billion to be invest in projects to attract private capital, with a maximum of $15 billion to be expensed as federal support over the time frame.

Specific Investments

[redacted]

- Over the next year, the CIB will look at developing a national project pipeline. The purpose of this pipeline will be to catalyze the market by including projects at various stages of development, including projects the CIB might view as potential investments.
- The Caisse de dépôt et placement du Québec has identified the REM project as an opportunity for independent analysis and consideration by the CIB and has submitted a proposal.

Waterfront Toronto and its Partnership with Sidewalk Toronto

OVERVIEW

- The Government of Canada, the Province of Ontario, and the City of Toronto, are working in close collaboration on the Toronto Waterfront Revitalization Initiative.

- Canada has contributed $500 million for Phase 1 of the Initiative, which is investing in green and public spaces, urban infrastructure, and recreational facilities.

- With Phase 1 completed, Canada has announced an additional commitment of up to $416 million, which will provide critical flood protection to Toronto's Port Lands.

  — This work will increase the resiliency of nearby communities and their capacity to adapt to the impacts of climate change.

- Waterfront Toronto has also selected Sidewalk Labs as its "innovation and funding partner" to create a new neighbourhood called Quayside, making it a thriving hub for innovation and a community for tens of thousands of people to live, work, and play.

  — Sidewalk has committed $50 million to an initial phase of work, consisting of community engagement, joint planning and project testing.

- We continue to work with the Province of Ontario, the City of Toronto, and Waterfront Toronto in moving forward with the Toronto Waterfront Revitalization Initiative.

Responsive – if asked about questions around Sidewalk Toronto (e.g. data, privacy)

- Waterfront Toronto is in the early stages of its partnership with Sidewalk Toronto, and will be engaging further with residents.

- It has recently formed a Digital Strategy Advisory Panel to provide guidance on how best to incorporate data privacy, digital systems, and the safe and ethical use of new technologies in the next phase of waterfront revitalization. We will be monitoring the process as it unfolds.

BACKGROUND

- Created under provincial statute, Waterfront Toronto is a not-for-profit entity mandated to lead and implement the Toronto Waterfront Revitalization Initiative.

- The organization was initially set up in 2000 with a commitment of $500 million from the Government of Canada, Ontario and Toronto. This initial allocation supported a series of investments to transform the Toronto waterfront, create sustainable new communities and foster economic growth.

- Canada's $500 million contribution was exhausted in 2012-13, [redacted]

- Federal funding was allocated primarily towards the planning, design, and construction of parks and other green and public spaces.

- The Government of Canada continues to play a role in Waterfront Toronto by: appointing up to four members to the WT Board of Directors; participating in the Intergovernmental Steering Committee, and maintaining a visible public role.

Port Lands Flood Protection and Enabling Infrastructure Project:

- The major initiative of Waterfront Toronto is the Port Lands Flood Protection and Enabling Infrastructure Project, which will flood-protect the Toronto Port Lands and lay the ground work for future development at the mouth of the Don River.

- In June 2017, Canada, Ontario, and Toronto announced a commitment to fund $416.6 million each to towards the Port Lands project, for a total of $1.25 billion. A tri-partite contribution agreement had been signed by all parties and came into effect.

Quayside:

- On October 16, 2017, the Waterfront Toronto Board of Directors endorsed the selection of Sidewalk Labs, an Alphabet-owned company, as the innovation and funding partner for the Quayside project. The Prime Minister joined Premier Wynne and Mayor Tory at the announcement.

- The Quayside project will create a new community that will serve as the pilot project to test the vision and desired outcomes for the eastern waterfront.

- This announcement initiated process of negotiation and public engagement to develop a business plan for an innovative and sustainable smart city project. A Framework Agreement was reached between Waterfront and Sidewalk, which sets out the basic terms and principles upon which the parties agree to move forward.

- Some stakeholders have flagged concerns around the collection, custodianship and use of data gathered on the public as part of this initiative. Waterfront Toronto has struck a Digital Advisory Strategy Panel, which features some prominent figures in the areas of data, intellectual property, privacy and infrastructure, to provide it with advice as it negotiates with Sidewalk Toronto.

- INFC is a member of the Quayside Executive Steering Committee which oversees implementation of the Quayside project. INFC provides no funding for this project, nor do we exert any direct oversight on it.

Smart Cities Challenge

OVERVIEW

- The first competition of INFC's Smart Cities Challenge closed on April 24, 2018 and received 130 eligible applications representing more than 200 communities across Canada.
- Of these communities approximately 25 were from Indigenous communities either alone or in partnership with other Indigenous or non-Indigenous communities.
- Communities answered the Challenge with creative and ambitious Challenge Statements in areas such as children and youth, reconciliation, protection of Indigenous language and culture, a sense of belonging and inclusion, food security, and affordable housing – just to name a few.
- The Jury concluded their evaluation of the applications in late May 2018 and helped select 20 of those applications to move on to the Finalist stage of the competition. Finalists were announced at the Federation of Canadian Municipalities Annual Conference in early June 2018.
- Each finalist will receive $250,000 to help them develop their final proposal. Final proposals will be due in early 2019. Winners will be announced in late Spring 2019.

BACKGROUND

Smart Cities Challenge:

The Smart Cities Challenge is a pan-Canadian competition open to communities of all sizes, including municipalities, regional governments and Indigenous communities (First Nations, Métis and Inuit). The Challenge encourages communities to adopt a smart cities approach to improve the lives of their residents through innovation, data and connected technology.

- **One prize of up to $50 million open to all communities, regardless of population;**
- **Two prizes of up to $10 million open to all communities with populations under 500,000 people; and**
- **One prize of up to $5 million open to all communities with populations under 30,000 people.**

Indigenous-specific component of the Challenge:

INFC Canada has teamed up with Indigenous Services Canada (ISC) to combine the Indigenous-specific component of the Smart Cities Challenge with ISC's forthcoming Indigenous Homes Innovation Challenge. Through this partnership, a greater diversity of prizes will be available than would have been possible with two separate challenges. The Indigenous Homes Innovation Challenge is planned for soft launch in the coming weeks prior to a late fall 2018 launch. Indigenous communities were also eligible to compete for all the prizes in the current competition.

Smart Cities Challenge Finalists

The finalists are:

- $5 million prize category:
    - Biigtigong Nishnaabeg (Pic River First Nation), Ontario
    - Cree Nation of Eastmain, Quebec
    - Town of Bridgewater, Nova Scotia
    - Mohawk Council of Akwesasne, Quebec
    - City of Yellowknife, Northwest Territories
- $10 million prize category:
    - Town of The Pas, Opaskwayak Cree Nation, Rural Munic.of Kelsey, Manitoba
    - City of Côte Saint-Luc, Quebec
    - Nunavut Communities, Nunavut
    - Saint Mary's First Nation and City of Fredericton, New Brunswick
    - Parkland, Brazeau, Lac Ste Anne, and Yellowhead Counties, Alberta
    - City of Airdrie and Area, Alberta
    - City of Richmond, British Columbia
    - City of Guelph and Wellington County, Ontario
    - City of Saskatoon, Saskatchewan
    - Greater Victoria, British Columbia
- $50 million prize category:
    - Region of Waterloo, Ontario
    - Québec City, Quebec
    - City of Edmonton, Alberta
    - City of Surrey and City of Vancouver, British Columbia
    - Montréal, Quebec

ATIA - 20(1)(b) ATIA - 21(1)(a)
ATIA - 21(1)(b)

New Champlain Bridge Corridor Project – General Update

OVERVIEW

• The New Champlain Bridge Corridor Project will support economic growth by improving network connectivity and ensuring the continuous and safe flow of people and goods.

• Construction is well advanced. As of the end of March 2018, the new Champlain Bridge was 70% complete and there has been significant progress on the remainder of the corridor.

• However, the schedule for the new Champlain Bridge project has been put under pressure, due notably to: challenges related to the transportation of oversized pieces; the summer 2017 strikes that affected the Quebec construction sector; and the summer 2018 crane operator strike.

• Additional measures, such as extra workers and shifts, have been put in place by the Signature on the Saint Lawrence Group (SSL), the Private Partner.

• On April 13 we announced an agreement with the Private Partner.

• This agreement in the amount of $235M covers the additional measures put in place by the Private Partner to meet the new deadline of December 21, 2018, settles all claims regarding transportation issue and puts an end to the legal action taken in Superior Court by the Private Partner.

[redacted] We continue to work closely with the Jacques Cartier and Champlain Bridges Incorporated, the operator of the existing Champlain Bridge, to ensure that the existing bridge remains safe until the new bridge opens.

BACKGROUND

• The Champlain Bridge is one of the busiest bridges in the country and carries $20 billion in international trade per year, 11 million public transit users and 40 - 50 million vehicles per year.

• Due to the high volume of trucks and use of de-icing salt over the years, the Champlain Bridge deteriorated permanently and needs to be replaced.

• In October 2011, the Government of Canada announced the replacement of the Champlain Bridge. In December 2013, the Government of Canada approved for the project to proceed as a public-private partnership.

• In April 2015, following a rigorous, open, fair and transparent procurement process, Signature on the Saint-Laurent Group (SSL) was retained as the preferred proponent, having submitted the lowest cost, technically and financially compliant proposal, therefore offering the best value for taxpayers.

• On June 19, 2015, a comprehensive Project Agreement between the Government of Canada and SSL came into effect. This agreement covers the design, construction, financing, operation, maintenance and rehabilitation of the Project over a 34-year period (2015- 2049) at a cost of $3.977 B.

ATIA - 20(1)(b) ATIA - 21(1)(a) ATIA - 21(1)(b)

• The New Champlain Bridge will have three corridors: two for vehicular traffic and a central corridor dedicated exclusively to public transit.

[redacted]

• A project update and site visit with media was held on April 13, 2018 during which Infrastructure Canada announced an agreement with SSL allowing for the recovery, at a fair cost, of construction delays and settling all existing claims related to transportation and labour issues.

[redacted]

• The Auditor General of Canada undertook a performance audit that examined whether INFC has effectively managed the project to meet its objective of delivering a durable and cost-effective bridge on time and on budget. The 2018 Spring Report found that there were delays in decision making that added to the overall costs of the bridge, and that the decision to proceed with a public-private partnership was based on incomplete information and analyses. An action plan has been developed to address the recommendations contained in the report.

Safety of the Existing Champlain Bridge

KEY MESSAGES

- All federal structures in JCCBI's network, including the existing Champlain Bridge, are safe.
- JCCBI has been allocated sufficient funding for the repair, maintenance and operation of federal structures under its responsibility.
- JCCBI spends approximately $100M a year on the Champlain Bridge to ensure its safety.
- Completed and ongoing repairs continue to ensure the safety of JCCBI's network of structures. This includes additional repairs to the Champlain Bridge to ensure it remains fully operational until the New Champlain Bridge is in service.

BACKGROUND

The Jacques Cartier and Champlain Bridges Inc (JCCBI), a Crown Corporation, owns and operates the existing Champlain Bridge, the Jacques Cartier Bridge, the federal portion of the Honoré Mercier Bridge and other connecting infrastructure in Montreal.

JCCBI was allocated a total of $2.1 billion since 2006 for the repair, maintenance and operation of all of its structures. Budgets 2006 through 2013 provided $806 million; Budget 2014 provided $960.7 million, and an additional $389 million was provided in 2014 for urgent repairs to the Champlain Bridge.

In addition, JCCBI recently undertook a study to determine what work would be required in case of delays on the New Champlain Bridge. Some of this work, including work on pier caps and interior girders has already begun. JCCBI has estimated that work to extend the life of the existing Champlain Bridge until June 2019 will cost $63M, $10M of which is expected to be spent from January to June 2019 should it be required.

FUNDING

JCCBI received $616M through Budget 2018 to cover work on all structures, including the Champlain Bridge, from 2018-2019 to 2022-2023.

ATIA - 21(1)(a)
ATIA - 21(1)(b)

Deconstruction of the existing Champlain Bridge

OVERVIEW

- The existing Champlain Bridge is reaching the end of its service life and will need to be deconstructed once the New Champlain Bridge is in service.
- The Jacques Cartier and Champlain Bridges Inc (JCCB) is continuing ongoing repairs to the Champlain Bridge to ensure it remains in safe operating condition until the New Champlain Bridge is in service.

BACKGROUND

The Jacques Cartier and Champlain Bridges Inc (JCCBI) undertook a study to explore options for the deconstruction of the Champlain Bridge. The study examined the deconstruction methods, materials transportation, materials reuse, and asset enhancement with a focus on sustainable development principles. The study estimated that deconstruction would take 4 years at a cost of 432M$ including preliminary work.

Deconstruction is expected to occur shortly after the new Champlain Bridge is in service as the existing bridge will continue to incur maintenance costs. There were suggestions from the public that the existing Champlain Bridge remain open as a bike path or a park. However, JCCBI has indicated that the Champlain Bridge can't remain open for safety and environmental reasons.

Deconstruction was excluded from the New Champlain Bridge Corridor project contract given that the deconstruction of the existing Champlain Bridge requires a different skill set. In addition, the estimated cost of the deconstruction contract would be more reliable at a future date, due to the price fluctuation of recycled materials such as steel and the unknown quantity of steel on the bridge in 2018, given the ongoing interventions to ensure users safety.

JCCBI recently entered into a contract with an owner's engineer to advance preparatory work related to the deconstruction project including undertaking an environmental assessment.

[redacted]

Status of Gordie Howe International Bridge

BACKGROUND

Is the Government of Canada still committed to the Gordie Howe International Bridge?

Yes. The Government of Canada is moving forward expeditiously with the Gordie Howe International Bridge project. Significant preparatory work has already been undertaken on the project on both sides of the border and construction on the bridge itself is scheduled to begin in 2018. Infrastructure Canada is working closely with the Windsor Detroit Bridge Authority and stands by the commitment to build this new bridge.

Why is the Gordie Howe International Bridge being built and what is its status?

The Gordie Howe International Bridge will make it faster, simpler and safer for both people to travel and goods to flow between Canada and the United States, enhancing trade and tourism.

The new crossing will be built to ensure better connectivity with existing highway networks on both sides of the border and will have enhanced border infrastructure to help move goods and travelers quickly and efficiently while ensuring safety and security.

Significant progress is being made on the project. An early works ground-breaking ceremony with the U.S. Ambassador, the Governor of Michigan, and Minister Sohi in attendance occurred on July 17, approximately a week after the preferred proponent for the bridge – Bridging North America – was announced publicly.

How much will the Gordie Howe International bridge cost?

To protect the best interests of taxpayers, it is not appropriate to discuss cost estimates for the entire scope of the contract during the procurement phase. Doing so could jeopardize the competitive process and the ability to obtain the most favourable proposals from the Proponents.

The cost of the project will be made public when the procurement process is complete and financial close has been realized later this summer.

Does a new Ambassador Bridge mean the Gordie Howe International Bridge project is obsolete?

No, the Government is moving forward expeditiously with the Gordie Howe International Bridge project.

The Government has always anticipated that there would be two bridges. Having both the Gordie Howe International Bridge and a fully functioning Ambassador Bridge is needed to enhance capacity, redundancy and reliability at Canada's busiest surface commercial crossing at Windsor-Detroit.

It is necessary to provide a safe, additional crossing option along the busiest trade corridor between Canada and the United States with improved border processing and highway-to-highway international connectivity.

The new Gordie Howe International Bridge project addresses future needs and will provide six lanes (three in each direction) to meet the anticipated growth in traffic over the years to come.

What will the impact of the ongoing NAFTA negotiations have on the Gordie Howe International Bridge project?

Canada is committed to an outcome that modernizes NAFTA and improves North American competitiveness.

Our priority remains making a good agreement even better, and making improvements that help create jobs and opportunities for middle class families in all three of our countries. We will continue to work for a good deal.

We are confident that the relationship with our largest trading partner will remain strong and the Gordie Howe International Bridge will play a key role in supporting the quick and efficient flow of goods at Canada's busiest surface commercial crossing at Windsor-Detroit.

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ATIA - 69(1)(g) - (d)

Réseau express métropolitain (REM)

OVERVIEW

- On June 15, 2017, the Government of Canada announced $1.283 billion to support the Réseau express métropolitain (REM) light rail network in Montréal, subject to necessary due diligence.

- The announcement indicated that the federal investment would be from the long-term Investing in Canada infrastructure plan.

BACKGROUND

More than 34,000 direct and indirect jobs are expected to be created during the project's construction, and more than 1,000 permanent jobs would be created upon completion.

On February 8, 2018, CDPQ Infra announced the selected consortia for the project's two main contracts, as well as an increase of $300 million to the total project cost, which is now $6.7 billion.

On March 28, 2017, the Government of Québec announced its support for the project with a $1.283 billion commitment.

On June 15, 2017, the Prime Minister announced a federal commitment of up to $1.283 billion in support of the REM project.

CDPQ has submitted a REM proposal for a potential investment from the CIB. [redacted]

Should the CIB decide to move forward with an investment in the REM project, the ICIP allocation would remain with Quebec and be available for funding other projects prioritized by the Government of Quebec.

Investing in Canada Program: Overview

OVERVIEW

New INFC funding under the Investing in Canada Plan includes investments made in Budget 2016 and Budget 2017 and therefore is divided into Phase 1 and Phase 2.

Phase 1 focuses on short-term investments targeted in areas such as public transit, water and wastewater systems, and protecting existing infrastructure from the effects of climate change (resiliency). The majority of the funding is managed through agreements that INFC signed with province and territories.

Phase 2 focuses investment in small and large projects that will help build our economy for the future. The **Investing in Canada Infrastructure Program ($33.1B)**, the Canada Infrastructure Bank (**$15B**), the Disaster Mitigation and Adaptation Fund (**$2B**) and the Smart Cities Challenge (**$300M**).

The **Investing in Canada Infrastructure Program (ICIP)** is the centrepiece of Infrastructure Canada's funding initiatives supporting the broader *Investing in Canada Plan*

BACKGROUND

Announced in Budget 2017, the **$33.1 billion** program provides long-term, stable funding for public infrastructure initiatives across Canada. This ten-year allocation-based program promotes strong collaboration between all levels of government by advancing outcomes in a manner that is flexible and responsive to unique local, provincial and territorial circumstances, and supporting local and regional decision-making in the realm of public infrastructure.
The ICIP is managed through **Integrated Bilateral Agreements (IBAs)**. PTs, in consultation with municipalities and Indigenous communities, are responsible for identifying, prioritizing and submitting projects and flowing funds to eligible ultimate recipients.

The ICIP is divided into **four funding streams**: Public Transit ($20.1 billion); Green Infrastructure ($9.2 billion); Community, Culture and Recreation Infrastructure ($1.3 billion); and Rural and Northern Infrastructure ($2billion + $400 million).

ICIP represents a shift from primarily asset-based investments to an **outcomes-based approach** for eligibility purposes. Project submissions need to directly align to at least one immediate outcome of the program. They must also meet additional program requirements, including stream-specific requirements and exclusions as well as horizontal federal requirements (e.g. Climate Lens, CEB). P/Ts, in consultation with municipalities and Indigenous communities, are provided with greater flexibility to submit infrastructure projects that meet their needs, while also contributing to federal objectives.

ICIP will be managed through IBAs between Canada and each province or territory, as the eligible recipient. Provinces and territories will be responsible for the administration of the program and may further distribute funds to ultimate recipients for eligible projects.

Provinces and territories may support their own eligible projects, and as such, will be bound to all the parameters under terms and conditions of the program.

Under ICIP, new program design elements are incorporated into the project assessment and selection process. **Climate lens** and **community employment benefits** are new horizontal requirements intended to advance federal objectives related to climate change and employment opportunities for under-represented groups in the labour market.

Budget 2016

- ❖ Public Transit Infrastructure Fund (**$3.4B**)
- ❖ Clean Water and Wastewater Fund (**$2B**)
- Municipalities for Climate Innovation Program (**$75M**)
- Municipal Asset Management Program (**$50M**)
- Codes, Guides and Specifications for Climate-Resilient Public Infrastructure (**$40M**)
- Lake Manitoba/Lake St. Martin Outlet Channels (**$247.5M**)
- North Shore Wastewater Treatment Plant (**$212.3M**)

Budget 2017

- ❖ Investing in Canada Infrastructure Program (**$33.1B**)
- Canada Infrastructure Bank (**$15B**)
- Disaster Mitigation and Adaptation Fund (**$2B**)
- Smart Cities Challenge (**$300M**)

Investing in Canada Plan:
Horizontal data and information collection

OVERVIEW

- As the lead department for the Investing in Canada plan (IICP) and the Government's infrastructure priority, Infrastructure Canada (INFC) is responsible for collecting and reporting on the progress of the IICP and the achievement of mandate letter commitments from its federal partners.
- Currently, this work is being done for three aspects of the reporting commitment: mandate letter commitment tracking; program implementation tracking; and project-level reporting.
- Following the release of the Investing in Canada Plan publication in April 2018, INFC is working towards publishing the first annual report on the Plan in the Spring of 2019.
- In March 2018, the Parliamentary Budget Officer (PBO) published a *Status Report on Phase 1 of the New Infrastructure Plan.* Since then INFC has worked collaboratively with the PBO to support their data and information needs for their reporting on infrastructure investments related to the IICP. The next PBO report on IICP infrastructure spending is anticipated to be published in September 2018.

BACKGROUND

1. Mandate letter commitment tracking

- PCO sets the update schedule for the mandate letter tracker, found on the Canada.ca/results website.
- As the lead for the Infrastructure priority, INFC works with other departments who share mandate letter commitments for updates.
- Input is aggregated by INFC and shared with the DM and MinO for approval.
- Submissions are provided to PCO at the beginning of each month, and PCO updates the website towards the end of each month.

2. Program implementation tracking

- Data is collected on a monthly basis from federal partner, due on the last Friday of the month (aligned with project-level requests).
- Federal partners are provided a template for completion with all of the required data elements. Upon receipt, INFC creates an excel database, does a QA of the data, and creates a summary of the implementation status.

3. Project-level reporting

- Data is collected on a monthly basis, due on the last Friday of each month. The map is updated within a week of receipt of departmental data submissions.

  - The map includes Phase 1 projects, Phase 2 projects and certain INFC legacy program projects.

Frequency of Reporting

- Most departments report to INFC with monthly updates for both project-level data and implementation data.
  - Since launching the IICP reporting activities, Indigenous Services has indicated that they are not able to report more frequently than quarterly.
  - Employment and Social Development Canada has also requested to move to quarterly reporting.
  - INFC also makes project-specific data available on the Government's open data web site each week.

Annual report and web reporting

- INFC is exploring options for increasing web-based reporting, including the addition of web based monthly/quarterly reporting on implementation data as well as results reporting. INFC is also working towards publishing the first annual report on the Plan in the Spring of 2019.

Opportunities for improvement

- INFC is looking to streamline and improve reporting processes with an aim to coordinate the three streams of data collection and ensure consistent data and messaging is used across all reporting fora.
- In order to streamline and facilitate data collection, INFC will work with federal partners to explore options for automating this work to move away from using manual reporting mechanism such as the use of Excel spreadsheets.

Community Employment Benefits: Overview and Key Messages

Background

The Community Employment Benefits (CEB) initiative aims to collect information on training and job opportunities generated by infrastructure projects for targeted groups (apprentices, Indigenous peoples, youth, women, veterans, disabled persons, newcomers to Canada). It will also collect information on opportunities for small-to-medium sized enterprises, including social enterprises. This information will help the Government of Canada report to Canadians how federal investments in infrastructure are contributing to inclusive growth.

The CEB requirement will apply to all projects over 10M under the IBAs. Through negotiations some PTs (e.g. BC) may be allowed to apply this requirement only to project over 25M. All PTs will be required to set aggregate aspirational targets for each of the federal target groups through their PT Infrastructure Plans and report annually on the progress towards achieving these targets. PTs can identify projects pursuing CEBs with a high level description of their approach. By including aspirational targets in the plans, CEB considerations will be included from the project identification stage and progress against targets can be included in annual updates of the Infrastructure Plan.

CEB is also promoting social procurement, ensuring infrastructure projects consider contracting with small and medium enterprises as well as social enterprises (companies with a social value, such as catering companies that seek to employ people with disabilities).

Key Messages

- In partnership with PTs, the Government of Canada is investing in infrastructure projects in communities across the country.
- On major infrastructure projects, PTs will be encouraged to make a difference by promoting diversity with respect to employment and procurement opportunities.
- As this is a social innovation, PTs are provided flexibility to establish their own approach to providing Community Employment Benefits.
- Information on projects participating in the initiative will be reported publicly.

Climate Lens: Overview and Key Messages

Background

The Climate Lens requires that certain assessment information be submitted by project proponents at the time of application for federal funding.

This information includes assessments of (1) project-level greenhouse gas (GHG) emissions and (2) an asset's resilience to the impacts of climate change. The aim is to help ensure that these assessments happen at the planning stage of infrastructure projects and will therefore influence choices made by project planners.

The Climate Lens applies to the Investing in Canada Infrastructure Program (i.e., for projects funded under Integrated Bilateral Agreements with the provinces and territories). It will also apply to the Disaster Mitigation and Adaptation Fund and certain finalists under the Smart Cities Challenge.

For projects seeking funding under the Integrated Bilateral Agreements, a GHG mitigation assessment is required for all climate change mitigation projects under the Green Infrastructure stream, and a resilience assessment is required for all adaptation, resilience and disaster mitigation projects under the Green Infrastructure stream.

Both assessments are also required for any project under the IBAs that have a total eligible cost of $10 million and above, unless an exemption is granted (e.g., for small communities with limited capacity or if a project is unlikely to involve opportunities to reduce GHG emissions nor likely to be at risk from climate change impacts).

Key Messages

- The Climate Lens is a new requirement introduced as part of the Infrastructure Canada bilateral agreements being signed under the *Investing in Canada* plan, and other federal infrastructure programs. The primary objective of the Climate Lens is to facilitate the consideration of climate change impacts during infrastructure project planning.

- The Climate Lens aligns with federal objectives outlined in the *Pan Canadian Framework on Clean Growth and Climate Change*. The requirements also respond positively to past audit recommendations on federal infrastructure programs.

- The Lens asks funding applicants to consider how proposed projects affect greenhouse gas emissions and/or how resilient an asset will be in the face of a changing climate.

- The results of climate lens assessments will provide meaningful insight into how projects contribute to environmental sustainability and stand up to the impacts of climate change. We will publicly report on the GHG emissions and resilience outcomes of projects assessed through the Climate Lens.

- Infrastructure Canada has worked closely with Environment and Climate Change Canada and other federal experts to develop appropriate guidance to support the completion of both assessments.